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**An Overview of Monroe County's 2008 Annual Trending
June 2008**

The following steps were taken to conduct the 2008 annual trending in Monroe County:

Step 1: Calculation of New Land Values

New land values were reviewed and adjusted where necessary county wide for both residential and commercial/industrial properties using a combination of last year's values, 2006 and 2007 sales and appeal information from 2007. The review process of land values resulted in approximately 60% of the neighborhoods having their land rates adjusted accordingly.

Step 2: Calculation of New Residential Factors and Residential Studies

Per 50 IAC 14, a preliminary ratio study was conducted for vacant and improved residential properties at the township level. The study indicated property classes that needed further analysis, which included reassigning parcels to new class codes or stratifying neighborhoods. After final analysis was completed on parcels new neighborhood factors were assigned. Sales from the 2006 and 2007 period plus information taken from the 2007 appeals were used to determine market adjustment factors. The majority of the neighborhoods experience an increase in their total AV's, however some neighborhoods showed a slight decrease and others remained unchanged as a result of the sales and appeal information. Overall, Monroe County continues to experience an increase in the housing market, especially in certain market areas. New neighborhoods are continually being developed and new updated sales information has led to changes in values from the previous year's assessments.

Step 3: Updated Commercial & Industrial Improvement Values

New commercial and industrial cost table updates were the starting point for updating commercial and industrial improvement values. The county also changed the year of depreciation from 2006 to 2007. A Producer Price Index was used to update these cost tables. These detailed construction cost models have been applied uniformly by property class based on specific usage, wall type and other characteristics.

Step 4: Analysis of Residential Sold Properties versus Unsold Properties

An analysis study was completed for improved residential properties to determine if sold properties changed at the same level as unsold properties. This data was reviewed at the township level and at a neighborhood level where necessary as many areas within Monroe County are unique, experiencing different levels of growth and development. These areas don't necessarily conform to normal market conditions.